

BARINGO COUNTY ASSEMBLY

THE HANSARD

The House met on Wednesday 21st April 2021 at 10: 06 AM

The Speaker (Hon. Kiplagat) in chair

PRAYERS

STATEMENTS

REGISTERED CBOs AND THEIR EFFECTIVENESS IN SERVING THE PEOPLE OF BARINGO

The Speaker (Hon. Kiplagat): Chairperson County Heritage Gender culture and community services committee. Yes Hon Kebut

Hon. Kebut: Thank you Mr Speaker sir I stand in for my chair think the answer to this question is not ready, allow us to present on Thursday afternoon next week.

The Speaker (Hon. Kiplagat): Thursday next week 29th April at 2:30 PM. Next order!

(Statement deferred)

MOTION

PAIC REPORT ON FINDINGS CONTAINED IN THE AUDITOR GENERAL REPORT ON FINANCIAL OPERATIONS OF BARINGO COUNTY ASSEMBLY

The Speaker (Hon. Kiplagat): Chairperson Public Investments and Accounts Committee. Hon Kibet you are holding brief for the Chair.

Hon. Kibet: Thank you Mr Speaker sir, I am here with the report of PAIC committee I will try my level best because it is a very huge document I don't think I will do with the introduction. I don't think I will do the committee mandate and the committee composition is also clear

Mr. Speaker Sir, the Committee acknowledges the support of the County Assembly led by the Speaker for the ample time given to the Committee to be able to carry out fact finding, conduct hearings, analyze the report and make recommendations on the Auditor General's report to the House.

The Committee also extends its appreciation to the office of the Clerk, Baringo County Assembly for facilitating the Committee to undertake the various activities that preceded the presentation of report.

Mr. Speaker Sir, the Committee also appreciates the technical support received from the Office of the Auditor General, South Rift Hub, for assisting the Committee to understand further the Audit queries and taking the lead role of prosecuting the queries during the hearings and assisting the Committee to firm up its recommendations during the writing of this report.

Last but not least I wish to appreciate the Members of the Committee and the secretariat, for their commitment, hard work, sacrifice and input in form of ideas, manifested during field fact finding visits, witness presentation hearings and report compilation that have made this report successful.

Mr. Speaker Sir, the Auditor General noted that the County Assembly did not prepare a Trial balance as basis for the financial statements. Further, the financial statements prepared do not contain a summary of significant accounting policies. In the circumstance, it has not been possible to confirm the basis of the balances reflected in the financial statements. I think I have gone to the Auditor's findings. That is how we are going to

The County Assembly management stated that the Trial balance has been prepared and summary of significant accounting policies has been included in the amended financial statements. We have an annex one it is available

Committee observations;

Mr. Speaker Sir, during hearings the Committee noted that:

- i. The Trial Balance for the FY 2015/16 was submitted on 20th July 2019 long after the observation by the OAG.
- ii. Amended financial statements were submitted and received by the OAG on 23rd July 2020
- iii. These were critical omissions since a Trial Balance and Accounting policies are very important documents without which the preparation of any financial statements are not complete refer to Section 164 (2) (e) of the Public Finance Management Act,(PFMA) 2012..

Committee Recommendations;

Mr. Speaker Sir, the Committee recommends that all financial statements and other supporting documents MUST be prepared ninety days (3 months) after the close of each Financial Year pursuant to the provisions of Section 164 of the PFMA, 2012. Failure to heed this requirements, the Accounting Officer be sanctioned by reduction in rank, while funds for the County Assembly be withheld as provided for in Section 53 and 54 of the Public Audit Act,2015 (PAA) respectively.

Audit Issue 2.0 Overstatement of Payments;

Mr. Speaker Sir, the Auditor General reported that the statement of receipts and payments reflects total payments of Kshs.322,866,000, while the summary of the Integrated Financial Management System (IFMIS) cash book reflect a balance of Kshs.323,005,105.42, against the account, thus resulting to a variance of Kshs.139,105. It has therefore not been possible to confirm the accuracy of the reported balance.

Management Response;

The County Assembly management accepted that the total payments as per the statement of receipts and payments is Kshs. 322,866,000 while the summary of the IFMIS cash book reflect a balance of Kshs.323, 005,105.42. However, the management argued that, during the year under review, financial reports were not generated in the IFMIS system since some modules like Cash Management (CM) and Accounts Receivable (AR) had not been operationalized hence carrying automatic bank reconciliation in the IFMIS system could not be done, occasioning the variance of Kshs.139, 105.

Committee Observations;

Mr. Speaker Sir, it is true that the module for auto-reconciling cash receivables and payments in the IFMIS has not been rolled out by the National Treasury. However, the two statements must be reconciled hence the management response is not satisfactory.

Committee Recommendations;

Mr. Speaker Sir, the Committee recommends that:

- i. The Statement of receipts and payments be amended and correctly stated.
- ii. The Clerk to the County Assembly should within ninety days of the adoption of this report liaise with the National Treasury for purposes of acquiring cash receivables, IFMIS payments auto-reconciling module and evidence of the same be provided to the Committee.

Audit Issue 3.0 Compensation of Employees;

Mr. Speaker Sir, the Auditor General reported the statement of receipts and payments reflects a sum of Kshs. 155,010,000 for salaries of permanent and temporary employees as disclosed under note 2 while the payroll summary reflects a balance of Kshs. 257,421,015, thus occasioning a difference of Kshs. 102,411,000 which was not explained. The wage bill of the County Assembly for the year under review was equivalent to 50% of the total revenue budget of Kshs. 512,588,730 and thereby exceeded the recommended percentage of 35% stipulated in Section 25 (1) (b) of the Public Financial Management Act, (County Government) Regulations, 2015. Further, the analysis of respective expenditure schedules presented for audit reflected a balance of Kshs. 149,330,954. Consequently, the validity and regularity of expenditure on compensation of employees totaling Kshs. 155, 010,000 for the year ended 30 June 2016 cannot be confirmed.

Management Response;

Mr. Speaker Sir, The County Assembly management in its response stated that the difference of Kshs. 102,411,000 between the payroll summary and the statement of receipts and payments represents the amount of salaries for the period July 2015 to November 2015 which was paid by the County Executive on behalf of the County Assembly before separation of bank accounts between County Assembly and County Executive in November 2015.

The County Assembly Management further stated that it is working towards managing the wage bill to be in line with the stipulations in Section 25 (1) (b) of the Public Financial Management Act (County Government) Regulations 2015. The difference of Kshs. 5,678,818.95 between the figure reported in the statement of receipts and payments and expenditure schedules on compensation of employees is attributable to pension and other Social Security contributions that had been reported separately from the basic salaries schedule. The salaries schedule has been amended to include pension and other social security contributions. We have annex to explain all those.

Committee Observations;

Mr. Speaker Sir, the Committee noted that;

- i. The Schedule of payments paid for by the County Executive on behalf of County Assembly was not provided contrary to the assertion above.

- ii. The bank statement indicating the date the Assembly bank account was operationalized was also not provided for confirmation.
- iii. The reported amount of Kshs. 155,010,000 on account of compensation of employees consists of basic salary and pension and other social security contributions. This implies that other allowances were excluded. The financial statements may therefore be incomplete hence misleading.
- iv. The wage bill is above the recommended percentage of thirty five (35%) contrary to the provisions of regulation 25 (1) (b) of the PFM Act (County Government) Regulations, 2015.

Committee Recommendations;

Mr. Speaker Sir, the Committee recommends as follows:

- i. That the Office of the Clerk should within two weeks of the adoption of this report provide sufficient evidence (including bank statements) to support the response in respect of the variance of Kshs. 102,411,000 on Compensation of Employees. The evidence should also shed light on how other benefits other than the pension and social security benefits were reported.
- ii. That the County Assembly Service Board (CASB) should adhere to the provisions of regulation 25 (1) (b) of the PFM Act (County Government) Regulations, 2015 and give documented, realistic and achievable commitment on how it is working towards managing the wage bill and submit a report to the County Assembly through PAIC Committee within three months of the adoption of this report.

Audit issue 4.0 other grants and transfers;

Mr. Speaker Sir, the Auditor General reported that the statement of receipts and payments in the amended financial statements dated 4th January 2017 reflects expenditure totaling to Kshs.300,000 under other grants and transfers. However, the balance changed from original amount of Kshs. 742,400 shown in the financial statements presented on 30 June 2016 without any journal adjustment to explain the change. Note 8 to the financial statements indicates that the expenditure relates to scholarships and other educational grants. No information or documentary evidence has been presented to verify the payments. Consequently the propriety of the expenditure totaling to Kshs. 300,000 disclosed under other grants cannot be confirmed in the absence of supporting documents.

Management Response;

The County Assembly management reported that the expenditure of Kshs.442, 400 was captured erroneously under other grants and transfers instead of travel. However, this was corrected in the amended financial statements.

The erroneous posting has been corrected through attached journal adjustment voucher to transfer the amount of Kshs. 442,400 from Subscriptions (associations) to domestic travel.

The balance of Kshs. 300,000 in the note 8 to the financial statements related to subscription to SOCATT as per attached copy of payment voucher.

Annex 3: Copy of Journal Voucher for adjustment of Kshs. 442,400. Copy of payment voucher for Kshs. 300,000 and supporting Schedule

Committee Observations;

Mr. Speaker Sir, the Committee observed that;

- i. The County Assembly management did not provide copies of the journal entries hence misled the Committee that it submitted the journal entries to correct the erroneous posting under annex 3.
- ii. The County Assembly management did provide a copy of Payment Voucher number 1369 to support the payment of Kshs. 300,000 reported as other grants and transfers.

Committee Recommendations;

Mr. Speaker Sir, the Committee recommends that;

- i. The journal entries should be prepared promptly to accommodate corrections and amendments to financial statements and all the details captured pursuant to the provisions of Regulation 103 (2) of the PFMA (County Government) Regulations, 2015 which states that “In all cases journal vouchers shall be supported by sufficient explanations, authorizations and documentation to facilitate accounting adjustments to be understood”.
- ii. The Accounting Officer should be reprimanded for late submission of journal entries i.e. the correction was done on 22nd July, 2020 whereas the report was done in 2017.

Audit Issue 5.0 Acquisition of Assets;

Mr. Speaker Sir, the Auditor General reported that the statement of receipts and payments shows acquisition of assets balance of Kshs. 15,693,000. The assets include vehicles and other transport equipment, office furniture and Information Telecommunication Technology (ICT) equipment software. However, no schedules were presented for audit verification to explain the balance. Further, no annexure was attached in the financial statements to provide information on what was acquired during the year under review. In the circumstance it has not been possible to confirm the accuracy of the reported balance.

Management Response;

A schedule of assets acquired in FY 2015/2016 amounting to Kshs. 15,693,000 has been attached. Annex 4: Copy of assets acquired schedule and amended financial statements indicating annexure of assets acquired during the year under review.

Committee Observations;

Mr. Speaker Sir, the Committee noted that:

- i. Schedules of assets were produced for audit verification but supporting documents like payments vouchers, logbooks and counter receipt vouchers were not availed for audit.
- ii. The County Assembly had not updated the asset register as at the end of 2014/15 Financial Year.
- iii. The schedules produced for:
 - a) Purchase of vehicles and other transport equipment has one of the purchases of motor vehicles from CMC Motors on 27th June 2016, PV number 2059 costing 1,138,646.90 with

some withholding tax of Kshs. 236,653.10 meaning the total purchase cost of the vehicle was Kshs. 1, 375,300. This purchase price is observed to be unrealistic since it is a fact that the County Assembly at no time purchased a second hand vehicle.

- b) Purchase of Office Furniture and General Equipment has the names of two members of staff of the County Assembly with details being surrender of imprest totalling to Kshs. 65,600. How can this become purchase of furniture or general equipment?
- c) Purchase of ICT Equipment, Software and Other ICT Assets has the names of two members of staff of the County Assembly with details being surrender of imprest totalling to Kshs. 142,420. How is the stakeholder interested in seeing the financial statements supposed to understand the surrender of imprest and connect it with the respective purchases? This is ambiguous contrary to the requirements of fiscal reporting under Article 201 of the Constitution of Kenya.
- iv. The imprest surrendered by several officers of the Assembly is not clear as it does not state the purpose in relation to asset acquisition.

Committee Recommendations;

Mr. Speaker Sir, the Committee recommends that:

- i. The Accounting Officer of the County Assembly should provide evidence of payments including payment vouchers, logbooks and counter receipt vouchers of motor vehicles and other assets acquired for financial years 2013/2014, 2014/2015 and 2015/2016 to give credence to the figures shown in the financial statements two (2) weeks after adoption of this report.
- ii. The County Assembly management should provide the details (including ownership documents) of the vehicle bought from CMC Motors at Kshs. 1,375,300.
- iii. The imprest issued to several officers for purchase of office furniture and general equipment as well as purchase of ICT Equipment, software and other ICT assets be recovered from the said officers as the documents availed do not support the purchases. Evidence of recovery be provided within one month of the adoption of this report.

Audit Issue 6.0 Cash and Cash Equivalents;

Mr. Speaker Sir, the Auditor General reported that the statement of assets as at 30th June 2016 reflects cash and cash equivalents balance of Kshs. 8,885,000. However, the reconciled cash book and bank certificate confirmed a bank balance of Kshs. 9,106,178.70, leading to an unexplained difference of Kshs. 251,178.70.

Further, the County Assembly management did not prepare bank reconciliation statements for Central Bank (Account No 1000195363). As a result it has not been possible to confirm whether all transactions made through the account during the year under review were fairly stated.

In the circumstance therefore, the accuracy of the cash and cash equivalents balance of Kshs. 8,855,000 has not been confirmed.

Management Response;

Mr. Speaker Sir, The County Assembly management in its response agreed to the fact that the bank balance was Kshs. 9,106,178.70 as at 30th June 2016 which differed from the cash and cash

equivalent as at 30th June; 2016 of Kshs. 8,855, 000. However, the difference of Kshs. 251,178.70 between cash and cash equivalents balance and bank balances was due to un-presented cheques as at 30 June 2016.

Bank reconciliation has been prepared and attached. Annex 5: Bank reconciliation statement indicating schedule of un-presented cheques as at 30th June 2016, Certificate of Balance and the Letter to the CBK to transfer the unspent cash to County Revenue Fund (CRF) Account.

Committee Observations;

Mr. Speaker Sir, it is noted that the County Assembly did not prepare Bank reconciliation statements monthly as required under Regulation 90 (1) of the PFMA (County Regulations), 2015 which states as follows, “Accounting Officers shall ensure bank accounts reconciliations are completed for each bank account held by that Accounting Officer, every month....”.

The County Assembly presented the Bank Reconciliation Statement for the month of June, 2016 (the statement was prepared on 9th July, 2019 three years after the lapse of the Financial Year) but there is no evidence of bank reconciliations done in the other months.

Committee Recommendations;

Mr. Speaker Sir, the Committee recommends that the Accounting Officer of the County Assembly MUST prepare Bank reconciliation statements monthly as required under Regulation 90 (1) of the PFMA (County Regulations), 2015. Failure to which the Accounting Officer be sanctioned by a reduction in the budget of the office of the Accounting Officer (Clerk to the Assembly) as provided for in Section 53 of the Public Audit Act (PAA).

Audit Issue 7.0 Pending Bills;

Mr. Speaker Sir, the Auditor General reported that the International Public Sector Accounting Standards (IPSAS) - Cash Basis reporting template requires the County Government to disclose accounts payables in Notes to the financial statements. However, the County Assembly did not disclose account payables totalling Kshs. 11,541,136 shown as outstanding commitments in the recurrent vote book. This balance represents accumulated pending bills as at 30th June 2016 contrary to Treasury circular Ref AG/101/75 which requires Accounting Officers to establish effective financial controls and maintain financial discipline in order to achieve efficient utilization of resources and ensure adherence to financial regulations and procedures to curb accumulation of pending bills. In addition, the pending bills schedule and supporting documents such as invoices, demand notices or supplier receipts vouchers certificates of works completion were not presented for audit. Consequently, the completeness and accuracy of the pending bills balance of Kshs. 11,541,136 and the ages of the pending bills constituting the balance could not be confirmed. As a result, the County Assembly’s financial statements did not comply with the International Public Sector Auditing Standards (Cash Basis)

Management Response;

Mr. Speaker Sir, The County Assembly management stated that a list of pending bills as at 30th June 2016 amounting to Kshs.5, 385,475.69 had been submitted as supported by the attached schedules Annex 6: Summary of pending bills schedule as at 30th June 2016.

Committee Observations;

Mr. Speaker Sir, the Committee observed that:

- i. The County Assembly management in its response did not cover the total amount queried of Kshs. 11,541,136 but instead replied that a list of pending bills totalling Kshs. 5,385,475.69 has been provided under annex 6. The balance of Kshs. 6,155,660.31 was not explained?
- ii. There is no documentary evidence to support the pending bills amount. There are no pending bills schedules and supporting documents such as invoices, demand notices or supplier receipts vouchers and certificates of works completed.
- iii. The County Assembly did not disclose the pending bills in the financial statements using the recommended template.
- iv. The County Assembly did not pay suppliers despite the availability of funds. There was a balance of Kshs. 8,854,804.55 in the County Assembly Recurrent Account at the end of the Financial Year that was transferred to the CBK CRF Account vide letter REF: BCA/FIN/3/VOL.2/104 of 6th July 2016. Part of this balance could have been used to settle the pending bills since most of the bills were of recurrent nature.

Committee Recommendations;

Mr. Speaker Sir, the Committee recommends that the County Assembly management should provide a response to PAIC covering the total amount of Kshs. 11,541,136.00 pending bills queried within two weeks of the adoption this report. Further the response should include invoices, demand notices or supplier receipts vouchers and certificates of works completed in support of the pending bills using the recommended template.

Audit Issue 8.0 Domestic Travel Allowances;

Mr. Speaker Sir, the Auditor General reported that an imprest of Kshs. 1,093,200 was paid to an employee of the Assembly through Voucher No. 2125 to facilitate Members of the County Assembly (MCA) and six (6) officers to travel to Nairobi on official business. Some officers travelled by public transport while others used the County Assembly's motor vehicle. However, the receipts used in accounting for the imprest spent on public transport appeared irregular as the serial numbers were inconsistent. Further, work ticket (M229051) for motor vehicle, Toyota Prado 30CG053A which was said to have transported the officials to Nairobi, had travelled to Kabarnet and Nakuru on the same date and time. Consequently the propriety of the domestic travel allowances expenditure of Kshs. 1,093,200 could not be confirmed.

Management Response;

Mr. Speaker Sir, The County Assembly management in its response observed that the challenge of receipts inconsistencies has been noted and addressed by the Assembly Management by developing and implementing a transport policy that provides reimbursement of costs when a member or staff uses public transport or own motor vehicle in travelling to various destinations on official assignments.

The training took place from 22nd to 28th June 2016 and all members of the delegation attended as evidenced by copy of imprest surrender voucher detailing payments to all trainees, participation/training certificates, training programme and attendance list.

It is not true that the motor vehicle Toyota Prado 30CG053A which had transported officials to Nairobi had also travelled to Kabarnet and Nakuru on the same date and time. This is evidenced by the attached work ticket which indicates that this vehicle was in Nairobi during the entire

period of the training. Annex 7: Copy of imprest surrender voucher Number 2125 of Kshs. 1,093,000; Copies of Work ticket, training certificates, attendance list and programme and extract of County Assembly Transport Policy.

(Sergeant-at arm hands Hon Kibet water)

Thank you.

Committee Observations;

Mr. Speaker Sir, the County Assembly has already developed a Transport Policy that has satisfactorily addressed the issue of travel documentation.

Committee Recommendations;

Mr. Speaker Sir, the County Assembly should fully adhere to the provisions of the approved Baringo County Assembly Transport Policy 2019. Replies must be factual and fully supported.

Audit Issue 9.0 Budget Performance;

There is a table, there is recurrent, development and the absorption. We have an absorption of 99 per cent on recurrent and 36 per cent on development. The Auditor General reported that the County Assembly incurred expenditure totaling Kshs.505, 427,167 during the year under review. However, out of this sum, Kshs. 182,424,907 was incurred and paid for by the Executive on behalf of the County Assembly. This portion of the expenditure was not captured in the Integrated Financial Management Information System (IFMIS) of the County Assembly.

In addition, the County Assembly budgeted for Development expenditure of Kshs. 65,281,232. However, from the records, only 36% was utilized leaving unspent funds totaling Kshs. 41,998.794.15.

The Summary of Recurrent Expenditure for 2015/2016 as reflected in the approved budget and the cash book is shown below. Mr Speaker there is a table below showing the expenditures. I think I will not read that

From the analysis of the recurrent expenditure budget shown in the table above, the County Assembly was only able to absorb 63% of the budgeted revenue, this was because part of the expenditure was recorded in the County Executive cash book before the County Assembly acquired autonomy on use of IFMIS.

Management Response;

Mr. Speaker Sir, the County Assembly management stated that it is true that expenditure of Kshs.182, 424, 907 was paid for by the County Executive on behalf of the County Assembly. This was because the County Assembly had not yet attained autonomy in operating the Central Bank Account and the G-Pay system which was still under full control of the County Treasury. The County Assembly gained autonomy in managing its own bank account as from November 2015 when it opened and operated a CBK Recurrent Account.

The low absorption of development funds at 36% was occasioned by the fact that, the tender for the purchase of land for the Speaker's residence for Kshs. 10,000,000 was not responsive even after being re-advertised. This meant that the funds budgeted for this purchase of land could not be spent in FY 2015/2016 and had to roll-over to the next financial year. This is evidenced by the

attached tender adverts, tender evaluation report, tender Committee minutes and a letter to the Public Procurement Oversight Authority (PPOA).

However, since then, the Assembly has acquired and partially paid for the land for the Speaker's residence amounting to eight million shillings (Kshs. 8 Million) as per attached copy of payment voucher.

In addition, there was a delay in completion of works for the extension of Office block at the County Assembly. However, since then, the project has been partially handed over to the Client and is currently in use and is awaiting finalization of installation of the lift and furnishes for the ramp.

Committee Observations;

Mr. Speaker Sir, the Committee observed that the County Assembly did not utilize the budget estimates effectively leading to below average absorption of development expenditure.

The ramp and the lift are complete and ready for use.

The Land for Speaker's residence has since been acquired.

An IFMIS expenditure print out for the amounts paid by the County Treasury on behalf of the Assembly was not presented to the Committee.

Committee Recommendations;

Mr. Speaker Sir, the Committee recommends that;

1. The County Assembly should put in place proper control measures to ensure that the budget is fully implemented, funds are fully utilized. Such controls must be documented and publicized, preferably in form of a brochure for all the stakeholders to take note and for ease of monitoring and evaluation with a view to continuously improve on the controls.
2. The County Assembly management should avail ownership documents for the Speakers' residence within two weeks of the adoption of this report
3. The County Assembly management should provide completion certificates and other support documents for the Ramp and the lift.
4. IFMIS Expenditure print out for the amounts paid by the County Treasury on behalf of the Assembly should be availed to the Committee within three weeks of the adoption of this report.

Audit Issue 10.0 Car and Mortgage Loans Fund;

Mr. Speaker Sir, the Auditor General reported that the County Assembly of Baringo held outstanding Car Loan and Mortgage balance of Kshs. 28,885,921 as at 30th June 2016. The financial statements for the fund had not been prepared and submitted to the auditor general for audit as required by Section 167 (3) of the PFM Act, 2012 on annual reporting by Administrators of County public funds. In the absence of the financial statements it had not been possible to confirm the financial status of the fund.

Management Response;

Mr. Speaker Sir, the County Assembly management responded that the Annual financial statements as at 30th June 2016 for the Car Loan and Mortgage Fund were attached. In addition,

the aforesaid financial statements were awaiting final audit report from the Office of the Auditor General. There is an annex

Committee Observations;

Mr. Speaker Sir, the Committee observed that the County Assembly failed to submit the Car Loan and Mortgage Fund Accounts for the FY 2015/16 within the stipulated time as required by Section 167 (3) of PFM Act 2012, which state; “Not later than three months after the end of each financial year, the administrator of a County public fund shall submit the financial statements prepared under this Section to the Auditor General”.

The Baringo County Assembly (Members) Car Loan Fund Reports and Financial Statements for the Year ended 30th June 2016 as presented to the Committee were prepared and signed on 6th July of 2020 way past the financial reporting period.

Reports and Financial statements for the Baringo County Assembly (Staff) Car Loan fund and Mortgage Fund were not presented

Committee Recommendations;

Mr. Speaker Sir, the Committee recommends that the County Assembly management must adhere to the requisite provisions of the PFM Act; 2012, prepare and submit the Financial Statements of all Fund Accounts including Car Loan and Mortgage Fund Accounts to the Auditor General in time, failure to which the accounting officer loses his/her allowances (Per Diems) for six months as provided for in the provisions of Section 53 of the PAA.

The management should avail to the Committee the reports and Financial statements for the Baringo County Assembly (Staff) Car Loan fund and Mortgage Fund within three weeks of the adoption of this report.

Audit issue 11.0 delay in completions of works for the expansion block at the County Assembly;

Mr. Speaker Sir, the Auditor General reported that from the records provided it was noted that County Assembly entered into a contract with Swift builders Civil Engineering Limited for expansion of the County Assembly building at a contract sum of Kshs. 40,000,000. The contract was scheduled to start on 21stSeptember 2014 and expected date of completion was 27thAugust 2015. At the time of physical verification, the work was not complete. Although payments as at 30th June 2016 totaled to Kshs. 22,512,719.31 being 56% of the contract sum after being on site for close to 2 years. No explanation was given for the slow progress of works. Delay in completion of the project denied the County Assembly use of the building thus affected service delivery to the residents of Baringo County adversely.

Management Response;

Mr. Speaker Sir, the County Assembly management responded that the project has since been partially handed over to the Client and is currently in use. In addition, the contractor is currently on site and is working on completing the installation of the lift and furnishes for the ramp. Further, the contractor had been approved an extension of time up to 20th October 2020 to complete the remaining works. Annex 10 is provided.

Committee Observations;

Mr. Speaker Sir, the Committee observed as follows:

- i. The County Assembly extension works as per the contract was scheduled to be completed on 27th August 2015. However, the works are not yet complete and as per the pace of the works, the extended completion date of 20th October; 2020 was not achieved.
- ii. Outstanding works as at date of partial handing over on 11/1/2019:-
 - a) Finishing to the ramp
 - b) Installation of the lift
 - c) Adjustment of entry/exit doors at the lobby
 - d) Screeding of roof slab to drain roof water
 - e) Redistribution of fire detectors
 - f) Re-alignment of the consumer unit
 - g) Fixing of remaining light fittings at lobby areas

Committee Recommendations;

Mr. Speaker Sir, the County Assembly management must ensure that:

- i. Contractual agreements should be adhered to by both parties for projects to be completed on time.
- ii. The outstanding works should be completed and a report on their completion made to the County Assembly through PAIC within two weeks of the adoption of this report.

Audit issue 12.0 delay in completion of works for construction of gate house and associated works at the County Assembly;

Mr. Speaker Sir, The Auditor General reported that the County Assembly entered into a contract with Yemtech Engineering Ltd for the construction of Gate House and associated works at the County Assembly at a contract sum of Kshs.4, 271,375. The contract was scheduled to start on 20th May 2015 and expected date of completion was 30th August 2015. At the time of physical verification, the work was not complete. Payments as at 30th June 2016 totaled Kshs 3, 833,971.8 and therefore the works were approximately 76% complete, nine (9) months past the stipulated completion date. No explanation was given for slow progress of works.

Management Response;

Mr. Speaker Sir, the County Assembly management responded that the gate house and associated works at the Assembly had since been completed, handed over to the client and is in use. Annex 11

Committee Observations;

Mr. Speaker Sir, the Committee observed that:

- i. The gatehouse and associated works were certified as practically complete on 17th January; 2017, one and a half years after the contractual completion date of 30th August; 2015.
- ii. The County Assembly management did not submit to the Committee the Bill of Quantities for the gatehouse as requested to confirm whether value for money was received in respect of the investment. It is within the mandate of the Committee and the County Assembly to go

an extra mile to interrogate on the use of public funds with a view to establishing whether they have been put to good use.

Committee Recommendations;

Mr. Speaker Sir, the Committee recommends that;

- i. The County Assembly management should submit Bill of Quantities for the gatehouse to PAIC within 2 weeks of the adoption of this report by the County Assembly, failure to which the Accounting Officer and the Building Superintendent be exempted from drawing any daily subsistence allowances (DSA) for a period of six months and the Assembly development budget for buildings be slashed as provided for in Section 53 and 54 of the PAA. Budget and Appropriations Committee to follow up.
- ii. The Accounting Officer of the County Assembly must always ensure that contract agreements are strictly adhered to. All works done outside the contract period are illegal and therefore payments paid for such works will be deemed as irregular thus recoverable.

Audit issue 13.0 supply of kitchen equipment

Mr. Speaker Sir, the Auditor General reported that financial records presented for audit, indicated that the cost of supplying Kitchen Equipment and LPG Gas to the County Assembly of Baringo Restaurant was included in the Bill of Quantities for the construction of the restaurant. The contract was awarded to Gidly Enterprises Ltd at a cost of Kshs. 17,081,232. The contractor was unable to deliver the equipment and therefore the County Assembly's tender Committee awarded a sub-contract for supply of the equipment and furniture to different contractors, Kwangu Holdings was contracted to supply goods worth Kshs, 309,600 and Brand house solutions Ltd goods worth Kshs. 348,075. Physical verification revealed that some equipment supplied did not meet contract specifications. For instance, meat chop board was supplied at Kshs, 20,000 and pot stacking rack at Kshs. 54,000 both of which appeared to have been fabricated in a rudimentary workshop. No inspection report was presented to confirm whether the items were delivered according to specifications. Evidently the County Assembly did not receive value for money from the equipment supplied.

Management Response;

Mr. Speaker Sir, In its response, the County Assembly management pointed out that an inspection of the items was carried out and a report together with the invoice, delivery note, LPO, tender evaluation report, market survey report and specifications for the supply and delivery of the meat chopping block and pot stacking rack to confirm that the above items were delivered as per specifications are attached. Annex 12: Copies of inspection report, invoice, delivery note, LPO, tender evaluation report, market survey report and specifications.

Committee Observations;

Mr. Speaker Sir, the Committee observed that;

- i. This is a recurring query which had already been addressed in the PAIC Report on the Financial Operations of the Baringo County Assembly for the period ended 30th June, 2015 dated 24th September, 2018 but, the implementation of the Committee's resolution has not been made.
- ii. The washing machine has not been put to use despite the Committees recommendation

- iii. Tender documents, LPO, delivery note, inspection and acceptance certificates for the supply of kitchen equipment queried were produced in detail under annex 12. However, physical verification of the meat chopping block confirmed that, the item was in fact acquired from a rudimentary workshop as observed by the Auditor General hence it is sub-standard.

Committee Recommendations;

Mr. Speaker Sir, the Committee recommends that all expenditures paid for should be properly incurred to justify the expenditure as a proper charge to public funds.

Evidence of action on the recommendations made in the adopted report of PAIC for the period ended 30th June 2015 be availed to the Committee within two weeks of the adoption of this report failure to which the accounting officer be held personally responsible and sanctioned as a provided for in Section 53 of the PAA for ignoring a resolution of the Assembly.

Audit issue 14.0 irregular salary advances;

Mr. Speaker Sir, the Auditor General pointed out that while reviewing financial records provided for audit, it was found out that, the County Assembly of Baringo advanced salaries to MCAS totaling Kshs.4, 020,000 during the period ended 30th June 2016. Some MCAs received multiple salary advances before completing the repayments of the earlier advances. The advance salaries paid to MCAs were against the provisions of Regulation 10 (1) of the Code of Regulations, 2009 which provides that only Officers on permanent establishments may be granted salary advances. Audit examinations of the payrolls for the MCAS confirmed that no deductions were made within the time stipulated in the regulations. Non-recovery of salary advances could lead to loss of funds. The County Assembly is therefore at risk of losing the unpaid balances due to the short time remaining before the expiry of the life of County Assembly.

Management Response;

Mr. Speaker Sir, The County Assembly management responded by saying that, salary advances of Kshs. 4,020,000.00 made to MCAs have since been recovered in full as per attached salary recovery schedules. Annex 13

Committee Observations;

Mr. Speaker Sir, the Committee noted that;

- i. The issue is a recurring query having been mentioned in previous audit reports on the County Assembly.
- ii. There was no proper register for recording salary advances and recoveries thereto. The document submitted is handwritten hence open to manipulation.
- iii. There was no evidence adduced (including request and commitment letters) on how salary advances were given out
- iv. Kshs. 517,267 in respect of six entries was outstanding as per the handwritten register submitted under Annex 13.
- v. Deductions were not made within the month the salary advance was given out.
- vi. Multiple salary advances were given out as pointed out in the query.
- vii. The system of issuing salary advances has since been stopped by the management.

viii. Committee Recommendations;

Mr. Speaker Sir, the Committee recommends that since the issue of salary advances is not practiced in the Assembly, the matter be put to rest.

Audit issue 15.0 non-adherence to procurement procedures;

Mr. Speaker Sir, the Auditor General reported that the County Assembly management paid Kshs. 1,387,000 to M/s Broadview Networks of Nairobi for supply of fifty (50) tablets, Windows 7 64 Bit Edition software and five (5) laptops. However quotations were not raised for competitive purchase of source for these items which were instead single sourced. Further, although requisitions for the items were raised, the procurement department did not authorize their purchase.

Therefore it was not possible to confirm the basis of the prices paid for the items or whether the County Assembly obtained value for money on the expenditure.

Management Response;

Mr. Speaker Sir, The County Assembly management pointed out that the fifty tablets bought at Kshs. 1,387,000 were sourced competitively and the copies of quotations for twenty five (25) firms that submitted their quotations are hereby attached together with the tender evaluation report, tender Committee minutes and copies of invoice, delivery note, LPO, and inspection and acceptance certificate. Annex 14 explains

Committee Observations;

Mr. Speaker Sir, it was noted that there was a delay in submitting the required supporting documents to the office of the Auditor General for verification. This has been one of the major issues during audit exercises, delay in giving out requested revenue and/or expenditure supporting documents. There is an apparent lack of cooperation by the management with audit teams.

Committee Recommendations;

Mr. Speaker Sir, the Committee recommends that the County Assembly management cooperates fully with all audit teams whenever they are carrying out their statutory mandate in the County Assembly. All the required documents must be handed over in time. Failure to which the Accounting Officer is sanctioned through suspension as provided in Section 53 of the PAA for a period to be determined by the Assembly.

This will go a long way in reducing audit queries which translates into improved opinion and enhance the County's image and consideration for award of audit related performance funding, e.g. the Kenya Devolution Support Programme (KDSP).

General Recommendations;

Mr. Speaker Sir, The Committee makes the following general recommendations based on its interaction with documents, witness responses and views of the Auditor General on the Audit of the Baringo County Assembly:

1. Mr. Speaker Sir, the County Assembly Service Board should forthwith freeze all new employments of staff for a period of three (3) years.

2. The County Assembly management should stop giving ambiguous, misleading reports and respect and adhere to the requirements of the Constitution of Kenya Article 201(e) which states that “financial management shall be responsible, and fiscal reporting shall be clear”.
3. The County Assembly Management should ensure there is financial discipline in order to achieve efficient utilization of budgeted resources to avoid unnecessary rollover of funds and accumulation of debts in the form of pending bills.
4. Mr. Speaker Sir, The County Assembly Internal Audit Section should regularly monitor and evaluate internal control measures and advise the board accordingly to ensure effective financial controls.
5. The CASB should promptly act on recommendations from the Internal Audit Committee to avoid unnecessary audit queries.
6. The Accounting Officer should ensure financial reporting is clear, queries raised by the Auditor General fully addressed and the whole amount (s) queried explained.
7. The County Assembly Clerk should adhere to the audit process and timelines including entry and exit meetings to avoid unnecessary and recurring queries.
8. Mr. Speaker Sir, The County Assembly Clerk in conjunction with the Legislative department should ensure that House Resolutions are communicated to the relevant Committees, County Government entities, and other relevant Government Agencies including Investigative Agencies, as the case may be. NOTE: The Committee on Implementation to take charge of the process.

Conclusion;

Mr. Speaker Sir, This Assembly has an enormous responsibility of legislation, representation and oversight. On these functions, this Assembly while working within the ambits of the law, the principles of separation of powers, checks and balances should deliver optimally.

The management of the Assembly should strive to ensure compliance with the recommendations of the Auditor in this report to improve the audit opinion and the image of the Assembly.

Finally Mr. Speaker Sir, it is my pleasant duty and privilege, to on behalf of the public accounts and investments Committee move a motion for adoption of the report. Mr Speaker I want to ask the Vice Chair to second.

The Speaker (Hon. Kiplagat): Thank you very much Hon Kibet.

(Question proposed)

Debate is on...yes Member for Barwessa.

Hon. Rono: Thank you Hon. Speaker I congratulate the committee I only need elaboration on investigative matters in this county assembly. Mr. Speaker the Speaker who was getting us through was categorical on the timelines on actions on whether the committee recommended. The timelines was two to three weeks and if we honor this we will achieve.

Mr. Speaker there is time waste in contract extension making the prices of materials increase and total sum of the whole contract; on whose burden do this fall to?

Mr. Speaker we have been hearing from the corridors that there was a chopping board in the previous regime that costed Kshs. 20,000 but it has come now to fact that it is true. We should make sure that public money is utilized well.

Mr. Speaker, we could be having minimal audit queries if we would have submitted crucial documents to the auditor general's office in time. I agree with the committee that the timelines to act on some of these things will avoid more problems. I urge the CFOs and Clerks offices to be submitting relevant documents needed by the auditor general to avoid unnecessary document.

Mr. Speaker if we follow crucial recommendations by the committee, we will achieve necessary intentions of having here.

It is said that vehicles were bought but there is no evidence like logbooks. Also we should be discussing audit of current year but if we go back and dwell on audit of 2014 we are seen as we are not doing anything.

I recommend that the committee on implementation to follow up and be getting these reports as soon as possible. Thank you Hon. Speaker.

The Speaker (Hon. Kiplagat): Hon. Fransisca Cherutich

Hon. Fransisca Cherutich: Thank you Hon. Speaker for according me the opportunity to contribute. I am a member of PIC committee and it is unfortunate we are discussing a disclaimer report because the assembly should be a benchmark of the executive.

First, trial balances should be submitted on monthly basis but it is shock a big assembly do not submit trial balances on time which is a rule in PFM Act of 2012. Trial balances for 2014/16 are done in July 2019 which is absurd and unbelievable.

we pray that going forward we will not come across such absurd reports on lack of accuracy in County systems again it is unfortunate that we have reports which when tallying is done there is a lot of accuracy because you see in accounting systems when you bring in the issue of balances which were brought in from last year automatically the end of the year with reconciliations we expect such reports to be tallied.

But when you are told that reports are not tallying with the magnitude of almost five million you wonder for sure what is happening in such an institution, it is unfortunate and we pray that things will change.

On issues of asset registry or rather asset register it was clear in our report that as a committee we realized that in this particular Assembly there are no updates of asset register and you wonder why and I believe in this Institution we have people who are in charge of such departments when an asset is bought it is common sense that a register should be made.

I remember when we asked for these registers we realized that it was done way back more than five years down the line and in between you realize that there are a number of assets that have been bought by this Assembly and yet unfortunately it is not entered in the register.

For example there is this particular vehicle that according to the reports we were told it was bought at Kshs. 1,375,300 and when we tried to think loud as a committee we were wondering whether it was a new vehicle or an old one, it was a new vehicle according to the report and according to us we were not very sure unfortunately when we asked for this documents the departments in charge were not willing to avail.

So I want to believe that now that we have given a report and we are requesting or rather demanding that we have those reports in the next three weeks at most because that is our mandate as the PIC/PAC committee.

In terms of item number six of cash and cash equivalence when I talk as an accountant you know when you check on reports and you realize that things are not balanced and you realize that bank reconciliations were not handed over to the auditors.

You wonder at the end of the day what the accountants are doing because it was clear in our report that bank reconciliations were not done yet this are things that are supposed to be done every month when you get a bank statement from a bank you compare with what is there in your records.

So again unfortunately we are tackling books of 2015/16 yet bank reconciliation is prepared later in 2019 seriously I think we have a problem, so I don't know but I believe the service board and the Clerk you will check on that and we ensure that we adhere to rules.

Number 7 on pending bills, we realized as a committee that we had pending bills of a magnitude of up to Kshs. 11, 541, 136 when the auditors came to check on our books the staff were not ready to submit the list later when they asked for this list they were only able to submit a list of a tune of Kshs. 5, 385,475.69 a balance of Kshs.6.1 million were not substantiated.

It is unfortunate again no documentary support to show the issue of pending bills was given which for me I would say as a Member that that is how eyebrows are being raised because if you say you have a debt yet you cannot substantiate who exactly whose debt it is so that is the reason as to why the auditors were able to give the reason of an audit query.

Again I think we have read in our report and we have asked the department that we want to see the difference of the Kshs. 6.1 million , on the domestic travel allowances again as a committee we found it funny we found it very unhealthy that when the auditors went through our books although when we got the management report , according to the auditors there is this particular vehicle which was used by the staff and the MCAs to go to Nairobi for a particular meeting yet again in the work ticket it was indicating that it had gone from Kabarnet to Nakuru.

On issues of receipts again there was a lot of irregularity which I don't want to talk much about it because I think the service board has done a good work and at the moment I think in future we will not see such audit queries because at the moment you have put in place the proper way of how to handle it.

On the issue of car and mortgage again why the auditors raised an issue was because when they asked for the submissions which was showing the issue of the car loan and mortgage how it was given to the Members how much it has been collected so far they asked when they were working on our books for 2015/16 and they were given on 20th October 2021 again I am wondering why there are a lot of delays in this Assembly.

When auditors ask for information it becomes a mountain and the particular staff are not ready to submit on time. Again the service board should check on that, on the issue of the gate house again as a committee we were so discouraged, when we asked for the BQs of the particular construction and the staff in charge was not able to give us those particular BQs.

As a committee we were wondering because we have a mandate as a committee we have the rights to check on this documentations and I want to believe that in our next meeting before the next three weeks we should be able to substantiate on the same.

Lastly I want to advise the ... I think the Clerk is the right person that and that one I know he knows I am just saying for the record that exit meetings are very important and as an Assembly that is the only time you can salvage yourself because that is a meeting that is held after the auditors have gone through our books and before they leave you give them time to ask you questions that you can answer.

We realized as a committee that one of our major problem in this Assembly is that when the auditors are around the officers in charge are normally not around and hence because when the auditors want to finalize with them they are not around the auditors will put in black and white whatever they have seen in this institution.

So the only way to salvage this Mhe. Clerk in future going forward I want to ask you that you embrace the issue of exit meetings because it will help us in having a lot of audit queries otherwise we are expecting your cooperation as the Clerk and even the service board so that we are able to bring the audited accounts up to speed so that by the time we exit by 2022 we should have finished especially for this financial year so that when a new lot will come in they can handle as they start with the 2022 thank you.

The Speaker (Hon. Kiplagat): Yes member of Ewalel.

Hon. Kebut: Thank you Mr. Speaker I want to congratulate the committee for coming up with a good report and thank my friend Hon. Kibet for taking us through this voluminous document though it was very tedious he managed.

Mr. speaker I have gone through the document and on several areas they have pointed issues which are of concern and Hon. Francisca has also mentioned the one for CMC motors I expected the committee to go to the root of the issues because they were provided the payment votures and the committee should give us a detailed report what was the registration number? Was it part payment? CMC is a reputable company and we can get details from the said company because it also has withholding tax and the documentation is at the KRA.

On the same page 21 the committee recommending the purchase of office equipment which is 65,000 at the end of these committee recommendation, we should recover from concerned officers the said amount I don't know if the committee can provide the names of these officers but during the time of recovery I think they will give us more details so that this will not be repeated in future.

Mr. Speaker on page 38, my colleague has also mentioned the meat chop board I expected the committee to make a tough recommendation so that it will not be repeated in future because a chopping board coasting 20,000? I expect the committee to recommend a recovery from the said officers because we dint get value for money.

Finally I want to pick on the general recommendation number one where it reads that the county assembly service board should freeze all employment of new staff for a period of three years, this is a very important point but again we should not said fully I expected them to have a flexible lee way because there are officers who are going to retire within these period how can they be replaced if we have such a strict recommendation. The committee should have given

another option of redeployment of staff from where we have excess officers or to allow us to engage staff under contract for a period of six months.

Mr. speaker the other day the service board engaged drivers under contract and if their contract ends what will happen I request the committee to rethink the recommendation so that we can have flexibility so the chair when responding you can give us an option on this one because it will be an issue in future thank you.

The Speaker (Hon. Kiplagat): Thank you very much Hon. Kebut yes the Deputy Speaker.

Hon. Cheboiwo (Deputy Speaker): Thank you Mr. Speaker sir firstly I want to congratulate the committee for coming up with this good report, and congratulate Hon. Kibet and the entire committee members. Mr. Speaker these report most of its issues have been overtaken by events because they were handled by the Ad Hoc committee this report should have been tabled earlier than today because most of the issues they have stated that it has been done. The issue of the offices for the MCAs it was stopped by the controller of budget in the previous term and this chapter should have been closed so that we handle other issues and I am expecting when we see the current report we can see different things.

Mr. Speaker sir the issue of advances and the money was recovered from them and I was one of them, the new Clerk to the assembly I believe will handle issues properly because most of these issues were handled by the former clerk and the staff.

Mr. Speaker sir, I support the recommendation number 7 that the exit meetings is actually paramount, it is of good... when I was in PIC/ PAC committee in the 1st Assembly we use to have the same problems entirely in this County that most of the auditors close the given chapter and retreat to write a report and continue to have exit meeting and for real this is a challenge.

Secondly, the issue of recommendation number one as alluded by Hon. Kebut ... I also have doubt about this, actually every Assembly has an allocation by CRA on the number of employees that they should have and the roles they have to do. Mr. Speaker on the issue of the wage bill you know this is a service provider entity, this is an entity where we don't do development and we believe that most of the funds here is for recurrent expenditure because it is for Hon. Members and staff allowances and I don't see why we should be gauged as the other arm which is actually development oriented arm therefore I am seeing we should an amendment to that recommendation 1 Mr. Speaker after I finish my contribution I will come with that amendment because I just picked directly from Hon. Kebut and I saw the importance of it.

Mr. Speaker sir, I really support that amendment and I also realized that there is some timelines like two weeks after the adoption of this report actually the given two weeks is very short time on accounting issues because you know you need to look for vouchers for previous years and also look for things that may call for fact findings especially in light to PIC/ PAC committee on the issue of vehicles like this, a vehicle which was purchased, you need to know which was this vehicle and who sold that vehicle, who signed the vouchers...

Mr. Speaker you need to be visiting those areas, we use to be going up to Nakuru and was the time when we realized that there was a certain vehicle of the ministry of health which we got it in a certain garage when we were going for a fact finding and I think even now the able committee of PIC/ PAC you can as well do a fact finding by visiting those people who sold those vehicles to us, you just go out from our offices and you silently visit them and get a direct report.

Mr. Speaker, since this report was supposed... it is actually report for between 2015/2016 which I believe we are now in 2021 which is about seven years since then so I believe the books of this Assembly are nowadays clean, they must have been changed to be clean books, after the Ad Hoc committee we cleaned everything and we started a new chapter and we got even a new clerk and so I believe that things are actually new in this Assembly therefore let me rest at that and I will come with the amendment so that we finalize with this report, thank you Mr. Speaker sir.

The Speaker (Hon. Kiplagat): Yes Hon. Rono.

Hon. Rono: Thank you Hon. Speaker, I want to move an amendment on Committee recommendation number 1 to read the Assembly...

The Speaker (Hon. Kiplagat): Order! Order! Hon. Member you are referring to which page of the report

Hon. Rono: Thank you Hon. Speaker, I am referring to page 44 and I want to move an amendment to the recommendation number 1 which says “The County Assembly Service Board should forthwith freeze all employment of staff for a period of three years” to read “The County Assembly Service Board should adhere to the CRA/ SRC guidelines on employment”

The Speaker (Hon. Kiplagat): Anyone who is seconding the proposed amendment?

Hon. Rono: Hon. Kebut to second

(Question on Amendment proposed)

The Speaker (Hon. Kiplagat): Thank you very much so for that amendment to be accordingly amended I would want to hear the reaction of the members...

(Long Silence)

Now I will put the question to the amendment on page 44 recommendation number 1

(Question on Amendment put and agreed to)

That report is duly amended... yes the Deputy Speaker.

Hon. Cheboiwo (Deputy Speaker): Thank you Mr. Speaker sir, I want to come with some amendments on most of the Sub-recommendations of the committee on those sub-headings which is that we amend the requirement for action within two weeks wherever it appears to read 60 days in all those areas that the report has indicated two weeks be changed to read 60 days so that it can be viable, thank you.

The Speaker (Hon. Kiplagat): Anybody to second.

(Question on Amendment proposed)

(Question on Amendment put and agreed to)

(Applause)

So this report is accordingly amended such that anywhere that talks of two weeks on the period required for action to read 60 days instead of two weeks... that is accordingly amended.

We proceed now and since I see no member ready to make contributions I will go back to the mover... Hon. Kibet

(Question on Amendment put and agreed to)

The Speaker (Hon. Kiplagat): So this report is accordingly amended such that anywhere that talks of two weeks on the period required for action to read 60 days instead of two weeks. It is accordingly amended. We proceed now and since I see no other hand to contribute then we go back to the mover, Hon. Kibet.

Hon. Kibet: Thank you Mr. Speaker sir. I want to congratulate the Members. Mr. Speaker as you know anything to do with accountancy takes time and create fatigue but I want to appreciate this Members for the time they have taken to bring this to conclusion. Mr. Speaker I have taken note on the timelines. Members have really asked about this timelines and I want to appreciate the Deputy Speaker because in his wisdom he saw there is need for time on the office bearers so that they are able to give us a substantial response Mr. Speaker.

We have seen also the time taken by a mere statement Mr. Speaker and maybe two weeks in the spirit of the committee maybe they really wanted to open you up to the urgency that we are expectant. Nevertheless you are Members and the decisions we make in this House are meant to be very honest...

The Speaker (Hon. Kiplagat): What is it Hon. Kibet?

Hon. Kibet: Sorry for interruption mover of this Motion or chairman to the committee. Mr. Speaker sir in this document it mentioned that it has several annexures but it is not attached so Mr. Speaker sir when the chair is responding they need to provide the annexure, thank you.

The Speaker (Hon. Kiplagat): Hon. Kibet you may need to mention what happened about the annexures.

Hon. Kibet: Thank you Mr. Speaker sir. So I was talking about the amendment that has just been brought forward by our Deputy Speaker about the timelines given to achieve some of the recommendations which the committee in its wisdom has made and I want to say as a committee we always need that co-operation and I want to encourage the leadership that is the service board that if we have all agreed then let us all move towards that.

Mr. Speaker on the issue about the employment, I want to agree with the chair finance that there are things that are very needy situations. Mr. Speaker we have retirements, natural attritions and those happenings will always occasion a recruitment process. So Mr. Speaker in the wisdom of the mover our chair health, he saw the need that let us not tie ourselves with a fixed timeline that we freeze. I think I agree that let us just put it like we have a circular that is universal, I mean it is applicable in the entire nation and Mr. Speaker nothing stops the existing structures like even the Assembly from time o time can go and negotiate.

Mr. Speaker there is nothing cast in stones and this is a s process that we are not going to put ourselves in an awkward situation so that we are able to continue running the affairs of the Assembly so I think the amendment that let us just adhere to the Salary and Remuneration Commission (SRC) and those other ones is okay with us.

Mr. Speaker there is a very serious concern about the clearing misappropriations. The chopping board is a serious issue that you know something that I wish we could...I don't know how we could have cleared this thing in this report but it seems the auditor has not seen serious action taken that maybe to conclude it maybe we...the procurement process Mr. Speaker also make a

joke of everything because they say quote and then they say reward to the lowest bidder and in this circumstance Mr. Speaker, it is the lowest bidder who quoted 20,000 and that is the winner.

A times Mr. Speaker some of this procurement processes are automated and it just award automatically the winner, so Mr. Speaker I think the management, the Clerk and the rest should see, you see that is now there knowledge in this processes that is put to test. So we trust that we have a Chief Executive Officer (CEO) now who can deal with these things. Mr. Clerk maybe you can assist us to sort that issue so that we have finality so that these Members cannot carry the burden of being responsible for a very awkward situation.

Mr. Speaker the Chair Finance has asked about the annexures. I have a very voluminous document. The annexures are there and I want to say that we will avail the annexures to Members. I think we make it on demand basis because Mr. Speaker we cannot print the entire file so Members who have keen interest and want to have the document can requisition and they will be supplied with it.

So Mr. Speaker with all that I want to appreciate the Members for the overwhelmingly support of this report, thank you Mr. Speaker sir.

The Speaker (Hon. Kiplagat): Thank you Hon. Kibet.

(The Clerk Consults with Speaker)

Yes I will repeat again.

(Question put and agreed to)

ADJOURNMENT

Order Members, this House stands adjourned until this afternoon at 2:30pm.

The House rose at 12: 00pm.